



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Text

File #: SO2011-745, **Version:** 1

CHICAGO March 9.2011

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A substitute ordinance authorizing the Commissioner of the Department of Housing and Economic Development to enter into and execute an Amended Intergovernmental Agreement with the Chicago Park District for the development of a new park field house.

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed

Ordinance Transmitted Herewith

This recommendation was concurred in by (amva voce vote of members of the committee with dissenting vote(s).

Chairman

SUBSTITUTE ORDINANCE

WHEREAS, the City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Chicago Park District (the "Park District"), is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such is authorized to exercise control over and supervise the operation of all parks within the corporate limits of the City; and

WHEREAS, the Park District has proposed to construct a new park field house (the "Project") generally located at 410 West Chicago Avenue, Chicago, Illinois and legally described in Exhibit A (the "Property"); and

WHEREAS, the Property lies within the boundaries of the Near North Redevelopment Area (as hereinafter defined); and

WHEREAS, the Board of Commissioners of the Park District has authorized the acquisition of the property from the Chicago Housing Authority, an Illinois municipal corporation ("CHA"), pursuant to an Ordinance adopted on February 10, 2010; and the CHA has approved the transfer of the Property to the Chicago Park District by Resolution No. 2010-CHA-72, adopted by the Board of Commissioners of the CHA on June 15, 2010; and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, in accordance with the provisions of the Act, and pursuant to ordinances adopted on July 30, 1997, and published in the Journal of the Proceedings of the City Council for said date at pages 49207 to 49373 the City Council: (i) approved and adopted a Tax Increment Redevelopment Project and Plan (the "Plan") for a portion of the City known as the "Near North Redevelopment Project Area" (the "Near North Redevelopment Area"); (ii) designated the Near North Redevelopment Area as a "redevelopment project area" and a Tax Increment Financing District; and (iii) adopted tax increment allocation financing for the Near North

Redevelopment Area; and

WHEREAS, under 65 ILCS 5/1 l-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Near North Redevelopment Area shall be known as the "City Increment"); and

WHEREAS, pursuant to an ordinance adopted on November 17, 2010, and published in the Journal of the Proceedings of the City Council for said date at pages 107750 to 107768, the City and the Park District entered into an Intergovernmental Agreement ("Original Intergovernmental Agreement"), executed on February 15, 2011, whereby the City agreed to make available to the Park District a portion of the City Increment in an amount not to exceed \$5,000,000 for the purpose of funding the Project costs (the "TIF-Funded Improvements") to the extent and in the manner provided in the Original Intergovernmental Agreement; and

WHEREAS, the City now wishes to make available to the Park District a portion of the City Increment in an amount not to exceed \$ 10,000,000 for the purpose of funding the TIF-Funded Improvements to the extent and in the manner provided in the Amended Agreement (as hereinafter defined); and

WHEREAS, the Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Near North Redevelopment Area; and

WHEREAS, the Park District is a taxing district under the Act; and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/1 l-74.4-3(u) of the Act; and

WHEREAS, the City and the Park District wish to enter into an Amended Intergovernmental Agreement in substantially the form attached as Exhibit B (the "Amended Agreement") whereby the City shall pay for or reimburse the Park District for the TIF-Funded Improvements in an amount not to exceed \$10,000,000; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The City hereby finds that the TIF-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Park District's capital improvements that are necessary and directly result from

2

the redevelopment project constituting the Project and, therefore, constitute taxing district's capital costs" as defined in Section 5/1 l-74.4-3(u) of the Act.

SECTION 3. Subject to the approval of the Corporation Counsel of the City of Chicago as to form and legality, and to the approval of the City Comptroller, the Commissioner of the Department of Housing and Economic Development or Acting Commissioner of any successor department is authorized to execute and deliver the Amended Agreement, and such other documents as are necessary, between the City of Chicago and the Park District, which Amended Agreement may contain such other terms as are deemed necessary or appropriate by the parties executing the same on the part of the City.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 5. This ordinance shall be in full force and effect from and after the date of its passage and approval.

3

EXHIBIT A

Legal Description

Lots 1 through 10 in Block 12 of Delevan's Addition to Chicago in the East Half of the Southeast Quarter of the Southwest Quarter, of Section 4, Township 39, Range 14 East of the Third Principal Meridian, in Cook County Illinois.

Lots 1 through 3 in Block 9 of Delevan's Addition to Chicago in the East Half of the Southeast Quarter of the Southwest Quarter, of Section 4, Township 39, Range 14 East of the Third Principal Meridian, in Cook County Illinois.

Lots 1 through 3 in Block 7 of Delevan's Addition to Chicago in the East Half of the Southeast Quarter of the Southwest Quarter, of Section 4, Township 39, Range 14 East of the Third Principal Meridian, in Cook County Illinois..

ADDRESS: 410 West Chicago Avenue, Chicago, Illinois

PIN: 17-04-331-042-0000 17-04-331-043-0000 17-04-331-044-0000

The legal description is subject to title commitment and survey, PIN division and consolidation, as necessary, plat of dedication, site configuration, vacation or dedication of streets and alleys as negotiated by the City of Chicago and the Park district.

4

EXHIBIT B Amended Intergovernmental Agreement

(See attached)

5

1

EXHIBIT B

AMENDED INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CHICAGO AND THE CHICAGO PARK DISTRICT WEST CHICAGO AVENUE FIELDHOUSE

This Amended Intergovernmental Agreement (this "Amended Agreement") is made this day of , 2011 (the "Closing Date"), under authority granted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois, by and between the City of Chicago (the "City", an Illinois municipal corporation, by and through its Department of Housing and Economic Development ("DHED"); and the Chicago Park District (the "Park District"), an Illinois municipal corporation. The Park District and the City are sometimes referred to herein as the "Parties."

RECITALS

A. The City is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs.

B. The Park District is a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such, has the authority to exercise control over and supervise the operation of all parks within the corporate limits of the City.

C. The Board of Commissioners of the Park District has authorized the acquisition of a vacant parcel of land commonly known as 410 West Chicago Avenue, in Chicago, Illinois, and legally described in Exhibit A (the "Property") from the Chicago Housing Authority, an Illinois municipal corporation ("CHA"), pursuant to an Ordinance adopted on February 10, 2010 (the "Park District Ordinance"). The CHA has approved the transfer of the Property to the Chicago Park District by Resolution No. 2010-CHA-72, adopted by the Board of Commissioners of the CHA on June 15, 2010. The Park District intends to own, control and operate a public park on the Property, (the "Park"), and has proposed to undertake certain improvements to the Park, such improvements being hereinafter referred to as the "Project."

D. The Park lies within the boundaries of the Near North Redevelopment Area (as hereinafter defined).

E. The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS

5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects.

F. In accordance with the provisions of the Act, and pursuant to ordinances adopted on July 30, 1997, and published in the Journal of the Proceedings of the City Council for said date at pages 49207 to 49373, the City Council: (i) approved and adopted a Tax Increment Redevelopment Project and Plan (the "Plan") for a portion of the City known as the Near North Redevelopment Project Area" (the "Near North Redevelopment Area"); (ii) designated the Near North Redevelopment Area as a "redevelopment project area" and a Tax Increment Financing District; and (iii) adopted tax increment allocation financing for the Near North Redevelopment Area.
I

G. Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Near North Redevelopment Area shall be known as the "Near North Increment").

H. The Park District is a taxing district under the Act.

I. The Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within, or adjacent to, the boundaries of the Near North Redevelopment Area.

J. DHED and the Park District entered into an Intergovernmental Agreement ("Original Agreement") on February 15, 2011, whereby the City agreed to make available to the Park District a portion of the Near North Increment in an amount not to exceed \$5,000,000 for the purpose of funding the Project in the Park (the "TIF-Funded Improvements") to the extent and in the manner provided in the Original Agreement.

K. DHED now wishes to make available to the Park District a portion of the Near North Increment in an amount not to exceed \$10,000,000 (the "Project Assistance") for the purpose of funding the "TIF-Funded Improvements to the extent and in the manner provided in this Amended Agreement.

L. In accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

M. The City and the Park District wish to enter into this Amended Agreement whereby the City shall pay for or reimburse the Park District for a portion of the TIF-Funded Improvements in an amount not to exceed \$10,000,000.

N. On ___, 2011, the City Council adopted an ordinance published in the Journal of Proceedings for said date at pages ___ to ___ (the "Authorizing Ordinance"), among other things, authorizing the execution of this Amended Agreement.

O. On September 15, 2010, the Park District's Board of Commissioners adopted a resolution expressing its desire to cooperate with the City in the construction of the Project and authorizing the execution of this Amended Agreement (the "Park District Resolution").

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the above recitals which are made a contractual part of this Amended Agreement, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

SECTION 1. THE PROJECT.

1.1. No later than 24 months from the Closing Date, or later as the Commissioner or Acting Commissioner of DHED (the "Commissioner") may agree in writing, the Park District shall let one or more contracts for the construction and/or development of the Project in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

1.2. The Project shall at a minimum meet the requirements set forth in the Project Description in Exhibit B

hereof and comply with plans and specifications to be provided to and approved by DHED prior to the commencement of the Project ("Plans and Specifications") in order for the Park District to qualify for the disbursement of Near North Increment funds. No material deviation from the Plans and Specifications may be made without the prior written approval of the City. The Park District shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

1.3. The Park District shall provide the City with copies, if any shall apply, of all governmental licenses and permits required to construct the Project and to use, occupy and operate the Property as a public park from all appropriate governmental authorities, including evidence that the Property is appropriately zoned to be used, occupied and operated as a public park.

1.4. The Park District shall include a certification of compliance with the requirements of Sections 1.1, 1.2, and 1.3 hereof with each request for Near North Increment funds hereunder and at the time the Project is completed. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Park District shall provide evidence satisfactory to the City of such compliance.

SECTION 2. FUNDING

2.1. The City shall, subject to the Park District's satisfaction of the conditions precedent for disbursement described in this Section 2 and such other conditions contained in this Amended Agreement, disburse the Project Assistance to the Park District. The Park District shall keep the Project Assistance in a segregated account to be used only for the Project.

2.2. No later than the date on which the Park District submits a Certificate of Expenditure (as defined below), or such longer period of time as may be agreed to by the Commissioner, (the "Satisfaction Period"), the Park District must satisfy to the reasonable satisfaction of the Commissioner, the following conditions precedent for the City's disbursement of the Project Assistance to the Park District:

(a) the Park District has provided or has caused to be provided to the City:

(i) copies of all easements and encumbrances of record;

4

(ii) two copies of a Class A plat survey in the most recently revised form of ALTA/ACSM land title survey, acceptable in form and content to the City prepared by a surveyor registered in the State of Illinois, certified to the Park District, and certifying as to whether the Property is in an area identified by the Federal Emergency Management Agency as having special flood hazards;

(iii) a copy of the most recent real estate tax bill with respect to the Property, to the extent available; and

(iv) a copy of the most recent water bill with respect to the Property, to the extent available.

(b) if the Park District is unable to satisfy the conditions stated in this Section 2.2 within the Satisfaction Period, either Party may terminate this Amended Agreement by providing written notice to the other Party.

2.3. The Park District may request that a certificate(s) of expenditure in the form of Exhibit C hereto ("Certificates of Expenditure") be processed and executed periodically. The City shall not execute Certificates of Expenditure in the aggregate in excess of the actual costs of the Project that are TIF-Funded Improvements. Prior to each execution of a Certificate of Expenditure by the City, the Park District shall submit documentation regarding the applicable expenditures to DHED. Delivery by the Park District to DHED of any request for execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

(a) the total amount of the request for the Certificate of Expenditure represents the actual amount payable to (or paid to) the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

(b) all amounts shown as previous payments on the current request for a Certificate of Expenditure have been paid to the parties entitled to such payment;

(c) the Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications previously approved by DHED; and

(d) the Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or

affecting the Project or the Park District as related thereto.

2.4. The City shall have the right, in its discretion, to require the Park District to submit further documentation as the City may require in order to verify that the matters certified to in Section 2.3 are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Park District.

5

2.5. The current estimate of the cost of the Project is \$15,000,000. The Park District has delivered to the Commissioner a project budget for the Project attached as Exhibit D. The Park District certifies that it has identified sources of funds (including the Project Assistance) sufficient to complete its budgeted portion of the Project. The City acknowledges that the Jesse White Foundation is contributing \$5,000,000 towards the development of the Project. The Park District agrees that the City will only contribute the Project Assistance to the Project and that all costs of completing the Project over the Project Assistance shall be the sole responsibility of the Park District. If the Park District at any point does not have sufficient funds to complete the Project, the Park District shall so notify the City in writing, and the Park District may narrow the scope of the Project (the "Revised Project") as agreed with the City in order to complete the Revised Project with the available funds.

2.6. Exhibit D contains a preliminary list of capital improvements and other costs, if any, recognized by the City as being eligible redevelopment project costs under the Act with respect to the Project, to be paid for out of the Project Assistance. To the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Park District acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Plan. Prior to the expenditure of Project Assistance on the Project, the Commissioner, based upon the project budget, may make such modifications to Exhibit D as he or she wishes in his or her discretion to account for all of the Project Assistance to be expended under this Amended Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of Project Assistance, subject to the terms of this Amended Agreement.

2.7. The Park District hereby acknowledges and agrees that the City's obligations hereunder with respect to the Project Assistance are subject on every respect to the availability of funds as described in and limited by this Section 2.7 and Section 2.2. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the Project Assistance, then the City will notify the Park District in writing of that occurrence, and the City may terminate this Amended Agreement on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for disbursement under this Amended Agreement are exhausted.

2.8. If the aggregate cost of the Project is less than the amount of the Project Assistance contemplated by this Amended Agreement, the Park District shall have no claim to the difference between the amount of the Project Assistance contemplated by this Amended Agreement and the amount of the Project Assistance actually paid by the City to the Park District and expended by the Park District on the Project.

SECTION 3. TERM.

The term of this Amended Agreement shall commence on the Closing Date and shall expire on the date on which the Near North Redevelopment Area is no longer in effect, or on the date of termination of this Amended Agreement according to its terms, whichever occurs first.

SECTION 4. ENVIRONMENTAL MATTERS.

4.1. The Chicago Park District shall, in its sole discretion, determine if any environmental remediation is necessary, and any such work that the Park District determines is

6

necessary shall be performed using the Project Assistance funding provided herein or any applicable funding provided by the Jesse White Foundation or the Park District. The City's financial obligation shall be limited to an amount not to exceed \$10,000,000 with respect to the matters contained in this Amended Agreement,

including this Section 4. The City makes no covenant, representation or warranty as to the environmental condition of the Park or the suitability of the Park as a park or for any use whatsoever.

4.2. The Park District agrees to carefully inspect the Property prior to commencement of any remediation or development on the Property to ensure that such activity shall not damage surrounding property, structures, utility lines or any subsurface lines or cables. The Park District shall be solely responsible for the safety and protection of the public. The City reserves the right to inspect the work being done on the Property. The Park District agrees to keep the Property free from all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for the Park District.

4.3. The Park District or its contractor must obtain all necessary permits, and applicable insurance as described in Section 5 hereof.

SECTION 5. INSURANCE.

5.1. The Park District shall provide and maintain at the Park District's own expense, or cause to be provided during the term of this Amended Agreement, the insurance coverages and requirements specified below, insuring all operations related to this Amended Agreement.

(a) Workers Compensation and Employers Liability. Workers Compensation as prescribed by applicable law covering all employees who are to provide a service under this Amended Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

(b) Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(c) Automobile Liability (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, The Park District shall provide or cause to be provided, Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage.

(d) Professional Liability. When any architects, engineers or professional consultants perform work in connection with this Amended Agreement, The Park District shall cause to be provided, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000.

(e) Self Insurance. To the extent permitted by applicable law, the Park District may self insure for the insurance requirements specified above, it being expressly

7

understood and agreed that, if the Park District does self insure for any such insurance requirements, the Park District must bear all risk of loss for any loss which would otherwise be covered by insurance policies, and the self insurance program must comply with at least such insurance requirements as stipulated above.

5.2. The Park District will furnish the City at the address stated in Section 8.13. original Certificates of Insurance evidencing the required coverage to be in force on the Closing Date, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Amended Agreement. The Park District shall submit evidence of insurance on the City's Insurance Certificate Form or equivalent prior to the Closing Date. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Amended Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Amended Agreement requirements. The failure of the City to obtain certificates or other insurance evidence shall not be deemed to be a waiver by the City.

5.3. The Park District shall advise all insurers of the provisions of this Amended Agreement regarding insurance. Non-conforming insurance shall not relieve the Park District of the obligation to provide insurance as specified herein. Non-fulfillment of the insurance conditions may constitute a violation of this Amended Agreement, and the City retains the right to stop work until proper evidence of insurance is provided, or this Amended Agreement may be terminated.

5.4. The required insurance shall provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

5.5. Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Park District and its contractors.

5.6. The Park District agrees that insurers shall waive their rights of subrogation against the City, its employees, elected officials, agents, or representatives.

5.7. The Park District expressly understands and agrees that any coverage and limits furnished by the Park District shall in no way limit the Park District's liabilities and responsibilities specified by this Amended Agreement or by law.

5.8. The Park District expressly understands and agrees that any insurance or self insurance programs maintained by the City shall not contribute with insurance provided by the Park District under this Amended Agreement.

5.9. The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

5.10. The Park District shall require all subcontractors to provide the insurance required herein and insurance customarily required by the Park District or the Park District may provide the required coverages for subcontractors. All subcontractors shall be subject to the same insurance requirements of the Park District unless otherwise specified herein. In all contracts relating to the Project, the Park District agrees to require the contractor to name the

8

City as an additional insured on insurance coverages and to require the contractor to indemnify the City from all claims, damages, demands, losses, suits, actions, judgments and expenses including but not limited to attorney's fees arising out of or resulting from work on the Project by the contractor or contractor's suppliers, employees, or agents.

5.11. The City's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 6. INDEMNITY / NO PERSONAL LIABILITY.

6.1. To the extent of liability of a municipal corporation, as such is precluded by the Local and Governmental Tort Immunity Act or the common law of the state of Illinois, the Park District agrees to indemnify and hold the City, its officers and employees, harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, including, without limitation, reasonable attorney's fees and court costs suffered or incurred by the City arising from or in connection with (i) the Park District's failure to comply with any of the terms, covenants and conditions contained in this Amended Agreement; or (ii) the Park District's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project. The defense and indemnification obligations in this Section 6.1 shall survive any termination or expiration of this Amended Agreement.

6.2. No elected or appointed official or member or employee or agent of the City or the Park District shall be individually or personally liable in connection with this Amended Agreement.

SECTION 7. DEFAULT.

7.1. If the Park District, without the City's written consent fails to complete the Project within 48 months after the date of execution of this Amended Agreement, then the City may terminate this Amended Agreement by providing written notice to the Park District.

7.2. In the event the Park District fails to perform, keep or observe any of its covenants, conditions, promises, agreements or obligations under this Amended Agreement not identified in Section 7.1 and such default is not cured as described in Section 7.3 hereof, the City may terminate this Amended Agreement.

7.3. Prior to termination, the City shall give its 30-day prior notice of intent to terminate at the address specified in Section 8.13 hereof, and shall state the nature of the default. In the event Park District does not cure such default within the 30-day notice period, such termination shall become effective at the end of such period; provided, however, with respect to those defaults which are not capable of being cured within such 30-day period, the Park District shall not be deemed to have committed such default and no termination shall occur if the Park District has commenced to cure the alleged default within such 30-day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

7.4. The City may, in any court of competent jurisdiction, by any proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of

performance, or both.

9

SECTION 8. GENERAL PROVISIONS.

8.1. Authority. Execution of this Amended Agreement by the City is authorized by the Authorizing Ordinance. Execution of this Amended Agreement by the Park District is authorized by the Park District Ordinance. The Parties represent and warrant to each other that they have the authority to enter into this Amended Agreement and perform their obligations hereunder.

8.2. Assignment. This Amended Agreement, or any portion thereof, shall not be assigned by either Party without the prior written consent of the other.

8.3. Compliance with Laws. The Parties agree to comply with all federal, state and local laws, status, ordinances, rules, regulations, codes and executive orders relating to this Amended Agreement.

8.4. Consents. Whenever the consent or approval of one or both Parties to this Amended Agreement is required hereunder, such consent or approval will not be unreasonably withheld.

8.5. Construction of Words. As used in this Amended Agreement, the singular of any word shall include the plural, and vice versa. Masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

8.6. Counterparts. This Amended Agreement may be executed in several counterparts and by a different Party in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

8.7. Further Assurance. The Parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Amended Agreement.

8.8. Governing Law and Venue. This Amended Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Amended Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

8.9. Integration. This Amended Agreement constitutes the entire agreement between the Parties, merges all discussions between them and supersedes and replaces any and every other prior or contemporaneous agreement, negotiation, understanding, commitments and writing with respect to such subject matter hereof.

8.10. Parties' Interest/No Third Party Beneficiaries. This Amended Agreement shall be binding upon the Parties, and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Parties, and their respective successors and permitted assigns (as provided herein). This Amended Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a Party and its successors and permitted assigns. This Amended Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Amended Agreement, nor any act of the Parties shall be deemed or construed by any of the Parties hereto or by third parties, to create any relationship of third party beneficiary, principal,

10

agent, limited or general partnership, joint venture, or any association or relationship involving any of the Parties.

8.11. Modification or Amendment. This Amended Agreement may not be altered, modified or amended except by a written instrument signed by both Parties.

8.12. No Implied Waivers. No waiver by either Party of any breach of any provision of this Amended Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Amended Agreement. No notice to, or demand on, either Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

8.13. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram, facsimile (fax); (c) overnight courier or (d) registered or certified first class mail, return receipt requested.

To the City: City of Chicago
Department of Housing and Economic Development
Attention: Commissioner
City Hall, Room 1000
121 N. LaSalle Street
Chicago, Illinois 60602
(312)744-4190
(312) 744-2271 (Fax)
With copies to: City of Chicago
Department of Law
Attention: Finance and Economic Development Division
City Hall, Room 600
121 N. LaSalle Street
Chicago, Illinois 60602
(312)744-0200
(312) 744-8538 (Fax)

To the Park District: Chicago Park District
Attention: General Superintendent 541 North Fairbanks Chicago, Illinois 60611 (312)742-4200 (312) 742-5276
(Fax)
With a copy to: Chicago Park District
General Counsel 541 North Fairbanks, Room 300 Chicago, Illinois 60611 (312)742-4602 (312) 742-5316
(Fax)

11
Such addresses may be changed by notice to the other Party given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or dispatch. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (d) above shall be deemed received two business days following deposit in the mail.

8.14. Remedies Cumulative. The remedies of a Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically so provided herein.

8.15. Representatives. Immediately upon execution of this Amended Agreement, the following individuals will represent the Parties as a primary contact in all matters under this Amended Agreement.

For the City: Nelson Chueng
City of Chicago
Department of Housing and Economic Development
City Hall, Room 1101
121 N. LaSalle Street
Chicago, Illinois 60602
(312)744-5756
(312) 744-7996 (Fax)

For the Park District: Gia Biagi
Chicago Park District
Director of Planning and Development
541 North Fairbanks
Chicago, Illinois 60611
(312)742-4682
(312) 742-5347 (Fax)

Each Party agrees to promptly notify the other Party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such Party for the purpose hereof.

EXHIBIT C

Form of Certificate of Expenditure

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

The affiant, Chicago Park District (the "Park District"), an Illinois municipal corporation, hereby certifies that with respect to that certain Amended Intergovernmental Agreement between the Park District and the City of Chicago dated __, __ (the "Amended Agreement"):

A. Expenditures for the Project, in the total amount of \$ __, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date: \$ __

C. The Park District requests reimbursement for the following cost of TIF-Funded Improvements: \$ __

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Park District hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Amended Agreement are true and correct and the Park District is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute a Default, exists or has occurred.

3. The Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications.

4. The Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

17

All capitalized terms which are not defined herein has the meanings given such terms in the Amended Agreement.

Chicago Park District

By: __

Name

Title: __

Subscribed and sworn before me this __ day of

My commission expires:

Agreed and accepted:

Name

Title: __

City of Chicago

Department of Housing and Economic Development

18

EXHIBIT D

Project Budget TIF-Funded Improvements

The total cost of the project is \$15,000,000. In no event, however, shall funding from the Near North TIF Fund exceed \$10,000,000.

19